

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION



PRESS RELEASE

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State Commission Commends Governor for Protecting Student Access and Quality of Instruction at California Colleges

January 9, 2004 — Sacramento — The Governor's Budget released today calls for major reductions in higher education. However, recognizing the budget constraints facing the State, the California Postsecondary Education Commission commends the Governor in his efforts to ensure access and maintain quality at the state's colleges and universities. The Governor's proposed General Fund reductions of \$410 million come on the heels of \$512 million in cutbacks absorbed by the state's four-year colleges and universities over the last two years. "There is little doubt that the proposed reductions will have a deleterious effect on students wishing to enroll at the state's four-year schools," said Robert Moore, Executive Director of the Commission. "However, the Governor's proposal mitigates the effect on the ability of students to pursue a college education by providing \$506 million in additional funds to community colleges — colleges that are well-positioned to serve new students," he said.

In reviewing the Governor's reduction proposal, the Commission noted that admission for all qualified students to the state's four-year colleges could be undermined for the first time since the State adopted a Master Plan for Higher Education in 1960. "There is little doubt that fewer new students will be able to attend the University of California and California State University because of the proposed reductions," said Howard Welinsky, the Commission's newly elected chairman. "Further, the proposed cut-backs in funding will force students to take longer to graduate since course sections are likely to be reduced. In the short-term that is likely to cost the state even more money and limit new student access even further," he said.

The Commission also expressed concerns about whether community college students seeking to transfer to the University or State University will be able to do so, and whether the costs to attend a public college or university are reaching a point that middle income families, who don't qualify for financial aid, will find it harder to afford to send their children to college.

The Commission is concerned that proposed student fee increases and student aid reductions could have a negative impact on students. Fees are proposed to increase for all students enrolling at a public college and university in the state. At the same time, the Governor is proposing changes in the State's Cal Grant program and for institutional financial aid programs offered by the University and State University. The Governor proposes that the University and

State University use only 20% of new fee revenue for institutional aid rather than the 33% the systems used in the past. Further, the Budget proposes reducing the maximum annual Cal Grant awarded to new students attending a private college from \$9708 to \$5482, and the income threshold would also change for students to become eligible for awards. “In light of the Governor’s proposed reductions in student aid, it is likely that many students will have to take on additional debt to complete their studies,” Moore said.

“There is little doubt that the Governor has thought outside the box regarding how we can best accommodate all students wishing to pursue a college education,” Welinsky said. “However, we must consider every alternative for ensuring access and maintaining quality at our colleges and universities before placing too great a burden on students.”

The California Postsecondary Education Commission advises the Governor and Legislature on higher education policy and fiscal issues. Its primary focus is to ensure that the state’s educational resources are used effectively to provide Californians with postsecondary education opportunities. More information about the Commission and its work can be found at its website at www.cpec.ca.gov.